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C O N F I D E N T I A L TEGUCIGALPA 000905

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E.O. 12958: DECL: 10/01/2018  
TAGS: PGOV PREL PBTS PINS HO  
SUBJECT: AMBASSADOR'S COURTESY CALL ON FOREIGN MINISTER  
ORELLANA

REF: TEGUCIGALPA 107

Classified By: Ambassador Hugo Llorens, reasons 1.4 (b & d)

¶1. (C) Summary: Ambassador Llorens paid a courtesy call on Foreign Minister Edmundo "Mundo" Orellana, whom he knew from his previous posting, on September 30. Orellana confirmed his stance against ALBA and Chavez, and his belief that Honduras' relationship with the United States is paramount. He spelled out his priorities for the remainder of his tenure: strengthening Central American Unity; resolving remaining border disputes; planning the OAS Summit in San Pedro Sula in June 2009; and cementing good relations with the United States. The Ambassador laid out USG policy in Honduras and said he hoped we could work together on issues of mutual concern. Orellana outlined his view of internal Liberal Party politics, warning not to discount Presidential candidate Eduardo Maldonado. He confided that he felt under attack from more left-wing elements in the Administration, but claimed Zelaya considered him loyal and had asked him to stay on in the position. Orellana pledged to do all he could to keep Zelaya away from the influence of his leftist advisors. End Summary.

¶2. (C) The Ambassador paid a courtesy call on FM Orellana on September 30. (Comment: The Ambassador knew Orellana from his previous posting in Honduras, when Orellana had served as Attorney General. The Ambassador has always believed Orellana to be an honorable and honest man. End Comment.) The FM told the Ambassador that he had been out of commission for several weeks because of a serious eye ailment that required surgery in Miami, but that he was now back at work and ready to work on Honduras' foreign policy issues. Orellana admitted that he has had differences with President Manuel "Mel" Zelaya because he felt Zelaya was being unduly influenced by Chavez. Orellana mentioned that during the ALBA signing ceremony, he did not applaud Chavez' insults of the United States, and following the event he told the press that the GOH did not "share Chavez's point of view" and added that the United States was Honduras' principal ally and trading partner. He declared that he is working on medium- and long-term foreign policy goals, and sees ALBA as a short-term pact with no future. Orellana confided that when Zelaya offered him the position of FM, he was reluctant to accept, as he felt he was unqualified, plus he was happy with his position as the Minister of Governance and Justice. Orellana confessed he has political ambitions, and his previous position allowed him excellent contact on the local

level and the ability to build a base of support for a future Presidential bid. Zelaya, however, insisted that Orellana was the only candidate for the job, so he said he felt compelled to accept the position.

#### Priorities

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¶3. (C) Orellana described his four priorities for the remaining 15 months of his term as FM: promoting Central American unity; resolving border disputes; the OAS summit to be held in June 2009; and cementing good relations with the United States.

--Central American Unity: As Honduras currently holds the presidency of the System for Central American Integration (SICA), Orellana said he would like to work within this system to promote unity, as the small nations of Central America need to work together if they want to be strong. He said he will devote a large amount of time to coordinating this body and working with the leaders of neighboring countries and mentioned the importance of the upcoming SICA Heads of State meeting to be held October 4 in Tegucigalpa.

--Border Disputes: Orellana said he sees border disputes as core national security issues. He would like to lay the basis for the final border delineation with El Salvador, including the Bay of Fonseca, and believes that he has to do this quickly before Saca leaves office. Orellana said that it would be impossible to negotiate with and FMLN government. Orellana said he was surprised at how well coordination was going with Nicaragua's Ortega government, and was optimistic that they could resolve the remaining maritime boundaries.

He said negotiations with Jamaica were going well, but that working with the Cuban government had proven extremely problematic.

--OAS Summit: Orellana said he was taking a leading role in the planning and logistics for the June 2009 OAS Summit to be held in San Pedro Sula. He was especially concerned about the lack of adequate hotel rooms, saying that he expected 1800 attendees, but that there were only 800 good rooms available. Orellana said he would have to house technical people out of town and try to get the delegations to voluntarily reduce their numbers.

--Relations with the United States: Orellana said that in all his dealings with Zelaya, he had always stressed that relations with the United States were paramount to Honduras' future. Orellana added that when the President had called off the Ambassador's credentialing ceremony at the last moment, he was in Spain and had called the President to express his displeasure with not being consulted. Orellana told the President it was a mistake, but that he had the prerogative to make the final decision. Orellana said he thought that Zelaya had been shocked by the universal rejection of his actions, prompting his change of mind and his decision to quickly do the credentialing ceremony. In addition, Orellana said that paradoxically, this "bump in the road" appears to have opened an opportunity for Zelaya to work more directly on rebuilding U.S.-Honduran relations.

#### Ambassador Lays out the USG Policy

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¶4. (C) The Ambassador thanked Orellana for the positive role he played in getting the relationship back on track and then laid out the USG thinking in regards to the bilateral relationship. The Ambassador said his goal was to work on a positive agenda with the Zelaya administration for the remainder of its tenure. He stressed that working on CAFTA and improving the benefits that Honduras receives from this treaty was a key objective. The Ambassador added that he hoped we could work together on common threats, such as combating trafficking of drugs, arms and people, in addition to organized crime, through funds from the Merida Initiative.

The Ambassador said that the USG supports Honduran democracy and democratic institutions and pledged to work with the other donors and the GOH to do what we can to ensure the

electoral process is smooth and transparent. He added that although the credentialing issue had been poorly received in Washington, especially after it appeared obvious that Honduras had taken sides in an issue between the United States and Venezuela, that it was "water under the bridge." The Ambassador reported that Zelaya had performed well during his trip to Washington and that the relationship was back on track.

#### Orellana's View of Honduran Politics

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¶ 15. (C) Orellana then shared his insider's view of what is currently happening in Liberal Party politics. He stated that he was a supporter of President of the Congress Roberto Micheletti and thought that Micheletti's control of the Liberal party machine at the local level gave him substantial power to win the primary. Orellana added, however, that during his time as Minister of Governance and Justice, he had traveled extensively around the country and noted that Micheletti did not have a strong base of popular support, likely due to his lack charisma. He Orellana said that Micheletti was vulnerable and said that the young and charismatic Vice President Elvin Santos would do well in the primaries, although he lacks an extensive party structure needed to win a national election. Orellana then warned that people should not discount the populist Eduardo Maldonado, who could emerge as a dark horse because of Santos' problems with his candidacy. He said that Maldonado has more support than the pundits believe and that many people who have lost faith in the system and the political class support his candidacy. Orellana said he felt that there was a strong erosion of legitimacy within the political class and it could manifest itself in unpredictable ways.

#### Orellana's Future

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¶ 16. (C) In regards to his personal situation, Orellana told the Ambassador that he felt isolated within the Foreign Ministry because of the political activists he had fired. He said he also felt the leftist group of presidential advisors, known as "Patricios" were after him because he did not "play the leftist game." Orellana said that he had spoken to Zelaya and offered his resignation, but the President had told him that he would not accept it and that he believed Orellana was still loyal. Orellana then announced that he would remain in office as long as the President wanted him to be there.

#### Comment

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¶ 17. (C) There is ample evidence that the "Patricios" are seeking Orellana's removal. Beyond the ideological, many have criticized Orellana for spending far too much time overseas attending endless conferences and international events and not doing more to influence Zelaya's foreign policy. In fact, his travels may have been a way to flee the pressures of the "Patricios," but this conversation with the Ambassador suggests that he may be trying to re-assert control at the Ministry and re-insert himself into our bilateral relationship and be a force for moderation. End comment.  
LLORENS